

HOUSE BILL ANALYSIS

HB 4011

Title: *Requesting Congress to urge the Federal Communications Commission to reply to a Washington Department of Information Systems petition for clarification of eligibility for universal service program discounts.*

Brief Description: *Allowing schools and libraries to receive telecommunications at below-tariffed rates without losing universal service discounts.*

Sponsors: Representatives Bush, Poulsen, Radcliff, Thomas, Scott, Huff, D. Schmidt, Lantz, Benson, Kessler, Wiolfe, Schoesler, Santos, Grant, Quall, Boldt, Pennington, Mastin, Koster, Hankins, Esser, Ragala, Cox, Schindler, McDonald, Clements, Wood, Cooper, Kenney, Reardon, Hurst, Talcott, Hatifeld, Tokuda, Conway, Sump, Lovick, D. Sommers, Schual-Berke, Carlson, H. Sommers, McMorris, Fortunato, Murray, O'Brien, Anderson, Veloria and Haigh.

HOUSE COMMITTEE ON TECHNOLOGY, TELECOMMUNICATIONS & ENERGY

Meeting Date: February 24, 1999.

Bill Analysis Prepared by: Anntonette Alberti, (786-7117)

Background:

Washington state is developing the K-20 Educational Telecommunications Network. The K-20 network leverages the state's purchasing power so that the state gets the best price possible for telecommunications infrastructure deployment. The K-20 Network is a statewide backbone telecommunications network that is linking K-12 school districts, educational service districts, public and private baccalaureate institutions, public libraries, community colleges and technical colleges. However, the K-20 Network does not extend to nonprofit independent baccalaureate institutions (such as Antioch University, Cornish College of the Arts, Gonzaga University, etc.) because a Federal Communications Commission (FCC) ruling potentially makes inclusion of such institutions in the K-20 Network cost prohibitive.

Pursuant to the Telecommunications Act of 1996, the FCC implemented a universal service fund program that provides telecommunication service discounts to public school and libraries. However, the FCC ruled on May 8, 1997 that schools and libraries joining consortia for telecommunications services including non-governmental entities cannot take advantage of the universal service fund program unless the services purchased by the

consortia are based on tariffed rates. Washington state is concerned that nonprofit independent baccalaureate institutions would be considered non-governmental entities by the FCC.

On July 16, 1997, the Washington Department of Information Services (DIS) petitioned the FCC to clarify that Washington schools and libraries would not lose universal service program discounts if they include nonprofit independent baccalaureate institutions in the K-20 Network. After 18 months, the FCC has not yet responded.

Summary:

The Legislature respectfully asks that the relevant committees in the United States Senate and House of Representatives urge the FCC to promptly respond to DIS's petition by ruling that schools and libraries may include nonprofit independent baccalaureate institutions in below-cost telecommunications networks without losing universal service discounts.

Appropriation: None.

Fiscal Note: Not Requested.